

SENATE, No. 887

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED JANUARY 27, 2022

Sponsored by:
Senator NIA H. GILL
District 34 (Essex and Passaic)

SYNOPSIS

Requires developers of residential housing to provide low and moderate income housing or pay fee.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning affordable housing and supplementing
2 P.L.1985, c.222 (C.52:27D-301 et al.).

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. a. Notwithstanding any other provision of law, rule, or
8 regulation to the contrary, the developer of a project involving 20 or
9 more newly-constructed residential units shall reserve at least 20
10 percent of the residential units for occupancy by low or moderate
11 income households. The developer of a project involving 20 or
12 more newly-constructed units may develop the residential units
13 reserved for low and moderate income households, offsite within
14 the municipality in which development is taking place, in order to
15 satisfy the obligation established by this section.

16 b. Any municipal approval or agreement entered into between a
17 municipality and a developer, concerning the development of 20 or
18 more newly-constructed residential units shall incorporate
19 contractual guarantees and procedures ensuring that any unit of
20 housing provided for low and moderate income housing shall
21 continue to be occupied by low and moderate income households
22 for at least 98 years.

23 c. A municipality that is authorized to impose and collect
24 development fees from developers of residential property pursuant
25 to section 8 of P.L.2008, c.46 (C.52:27D-329.2), or to impose and
26 collect payments in lieu of constructing affordable units pursuant to
27 section 9 of P.L.2008, c.46 (C.52:27D-329.3) may allow a
28 developer to pay a development fee or donate an amount equal to 30
29 percent of the cost of the proposed development as determined by
30 the municipal engineer, in lieu of constructing low or moderate
31 income units as required by subsection a. this section. A
32 municipality shall deposit all fees, payments, and donations
33 collected pursuant to this section into a housing trust fund and
34 spend those funds on activities approved to develop affordable
35 rental and for sale housing throughout the municipality.

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37 2. The New Jersey Housing and Mortgage Finance Agency
38 shall revise the requirements and controls it has established to
39 ensure the maintenance of housing as affordable to low and
40 moderate income households, commonly referred to as the Uniform
41 Housing Affordability Controls, to implement the requirements set
42 forth in this act.

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44 3. Section 1 of this act shall take effect on the first day of the
45 fourth month next following enactment, and section 2 shall take
46 effect immediately.

STATEMENT

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This bill would require all new residential development consisting of 20 or more units to reserve at least 20 percent of the units for low or moderate income housing for at least 98 years. A developer may choose to develop the required affordable housing either onsite or offsite. A municipality authorized to impose affordable housing development fees or payments in lieu of constructing affordable housing, may allow a developer to pay a fee or donate an amount equal to 30 percent of the cost of the proposed development instead of constructing low or moderate income housing. In this instance, the municipality must spend the amounts collected on activities approved to develop affordable rental and for sale housing throughout the municipality. The bill also directs the Housing and Mortgage Finance Agency to revise the requirements and controls it has established to ensure the maintenance of housing as affordable to low and moderate income households to be consistent with the bills requirements.